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Ministerial segment: ministerial round tables

Summaries of multi-stakeholder round tables

Note by the Secretariat

Addendum

Ministerial round table B.3, on the theme "Coherence for Development"

Wednesday, 20 March 2002 (afternoon)

Summary by the Co-Chairs

Ram Sharan Mehat, Minister of Finance (Nepal)

Enrique Iglesias, President of the Inter-American Development Bank

1. Various dimensions of coherence were addressed — national, regional and international — among international institutions, among international institutions and developing countries, and among objectives and instruments. Coherence among the economic, human, gender, social and environmental dimensions is seen as essential. Striking the balance among those different agendas will be a key challenge for the World Summit on Sustainable Development. In that sense, the success of the International Conference on Financing for Development and the Summit are closely related.

2. The millennium development goals provide a broad framework for coherence not only among policies and programmes of countries but also among multilateral institutions. The commitment to the substance and the spirit of the draft Monterrey Consensus and its follow-up should give new impetus to the mobilization of resources for their effective implementation. Since broad consensus has emerged on the need for coherence, attention should now focus on practical and effective measures for its promotion. In the end, coherence will be measured by its ability to reduce the number of people living in poverty.

3. Several speakers stressed that coherence must start at home, especially among different ministries and other stakeholders, if directives to international institutions are to be equally coherent. No single actor or policy can succeed on its own but only

in an effective combination of efforts. In that regard, better governance and coordination are essential to improve coherence within and among countries and institutions in the delivery and effective use of development assistance. The role of nationally owned policies as a framework for coherence, including in relation to poverty reduction strategy papers, was also emphasized. The need for coherence between national policies and multilaterally agreed commitments was further stressed. Cooperation among countries on issues that need to be addressed at the regional level can also enhance coherence of policies and actions.

4. At the global level, increased participation of developing countries in international decision-making was seen as critical for coherence. Moreover, an effective strategy for development should seek to reduce existing asymmetries in access to capital and technology as well as between mobility of capital and restrictions to labour movements. The vulnerability of developing countries to external shocks and the frequency and more pronounced nature of economic cycles in those countries should also be addressed through a more coherent response that encompasses macroeconomic, financial, trade and social measures. Similarly, increased official development assistance (ODA) for low-income countries should not come at the expense of flows directed to middle-income countries, otherwise poverty levels in the latter would inevitably rise. External debt burdens should be sustainable and consistent with poverty reduction goals.

5. Speakers pointed out the importance of strengthening coherence between the United Nations, the Bretton Woods institutions and the World Trade Organization, as well as regional financial institutions. Development should be placed at the centre of the global political agenda. The dialogue on development among all stakeholders, including decision makers, in the political, development, finance and trade areas spurred by the Monterrey process was welcomed, and the importance of continuing it as a major new trend was stressed.

6. It was considered that coherence in the international trading system requires the removal of obstacles to developing countries' exports, especially in agriculture and textiles. The Doha Ministerial Declaration and upcoming trade negotiations were seen as an opportunity to make the international trading system more responsive to the development needs of developing countries and more sensitive to the social and environmental dimensions.

7. The need for greater investment to prevent the conflict situation that has affected many developing countries was also stressed. The conflict situation has deepened and expanded poverty, enriching only those who benefit from the arms trade.

8. A better understanding of the relationship and exploitation of the synergies between the millennium development goals and other relevant policies will require further analytical work.

Proposals and recommendations

9. The following proposals and recommendations were made:

- Establish a "global compact for coherence" of commitments by developed and developing countries;

- Address consistency in donor countries between national interests and constraints, on the one hand, and development assistance goals on the other;
- Harmonize policies, actions and procedures of various institutions to align them with the millennium development goals and their implementation, as well as for monitoring and assessing results;
- As the most inclusive and participatory forum, the United Nations should remain at the centre of discussion on the promotion of coherence among development cooperation, macroeconomic and social policies;
- Fully utilize the potential of the Economic and Social Council to promote meaningful dialogue for policy coherence;
- Further strengthen the United Nations Development Assistance Framework and United Nations Development Group mechanisms;
- Establish a clearing house at the national level to share information, enhance coordination among different ministries and other actors and build on the outcomes of various United Nations conferences;
- Ensure that development cooperation policies do not directly or indirectly support arms purchases that lead to conflicts. Exploitation of conflicts for financial gains should be prevented through the development of global ethics;
- Promote the democratization of global governance;
- Ensure balance between macroeconomic reform programmes and the social agenda;
- ODA should be supportive of recipient countries' national strategies and should be united.